



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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March 7, 1994

Mr. Neil Bradshaw
P. O. Box 87
Milford, Utah 84751

Re: Change in Permit Status, B & W #1 Claim, S/027/049, Millard County, Utah

Dear Mr. Bradshaw:

On February 10, 1994 we were informed by the BLM that ongoing mining-related activities on the B & W #1 Claim presently involves blasting and hauling of rock off the project area. Because this type of activity is not normally considered an exploration related activity, we have recategorized the status of your exploration notice to a small mining operation and assigned it a new file number. The new number is S/027/049 which you should reference in any future correspondence with this Division. The previously assigned exploration permit number was E/027/024, and that file is now closed and combined with file number S/027/049.

A small mining operation is one which creates less than 5 acres of surface disturbance. The BLM has estimated the disturbed area at approximately 1/4 - 1/3 acre at this time. You may revise your mining operation at any time, providing you submit an amended notice and have that notice approved by the BLM and this Division before commencing with the activity. To alleviate duplication, the BLM will forward a copy of your amended notice to us for review and approval, should you wish to amend your notice. Otherwise, you may request a copy of our permit amendment application form, which we will forward to the BLM for their joint review and approval, upon our receipt of same.

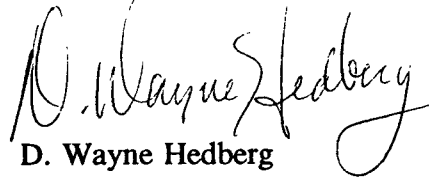
A small mining operation requires the filing of an annual report. An annual report form (form MR-AR) is enclosed which you will need to fill out for the year 1993. If possible, please complete the report and return it to us by March 31, 1994. We have also enclosed a copy of the rules for small mining operations for your reference. Please become familiar with the operational and reclamation standards. If you cannot comply with any of these performance standards, you will need to seek a variance from this office. Variance requests must include detailed written justification and will require written approval from this Division.



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Thank you for your understanding and cooperation. Please contact me if I can answer any questions you may have in this regard.

Sincerely,

A handwritten signature in cursive script, reading "D. Wayne Hedberg". The signature is written in dark ink and is positioned above the printed name and title.

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb
Enclosures
cc: Rody Cox, BLM, Warm Springs RA
E/027/029
S027049